

City of Port Arthur
Section 4A Economic Development Corporation

MINUTES

Special Board Meeting

501 Procter Street, Ste. 100, Port Arthur, TX 77640

Monday, February 18, 2019

6:00 p.m.

I. CALL TO ORDER

The Board of Directors of the City of Port Arthur Section 4A Economic Development Corporation met in a Special Meeting on Monday, February 18, 2019. The meeting was called to order at 6:01 p.m.

II. ROLL CALL, INVOCATION & PLEDGE

The following Board Members were present:

Darrell Anderson, John Chirafis, Christopher Smith, Dallas Smith, and Ingrid Holmes.

The invocation was given by Christopher Smith, followed by the Pledge.

*Board President Ingrid Holmes acknowledged the passing of
Board Member Mr. David L. Stickley*

III. MINUTES

Regular Meeting February 4, 2019

A motion was made by John Chirafis and seconded by Christopher Smith to approve the Regular Meeting Minutes of February 4, 2019. The vote was unanimous. Motion carried.

IV. PETITIONS & COMMUNICATIONS

1. Presentations

2. Communications

- a. Port Arthur Chamber of Commerce Membership Luncheon, Wednesday, February 27, 2019

Individual tickets will be purchased for those wishing to attend.

3. Speakers (limited to 3 min. ea.)

V. UNFINISHED BUSINESS

VI. CONSENT AGENDA ITEMS

VII. NON-CONSENT AGENDA ITEMS

1. To discuss for possible consideration a Letter of Intent for an Economic Incentive for Infrastructure for MP1 Construction.

A motion was made by Darrell Anderson and seconded by Dallas Smith to approve the consideration of a Letter of Intent for an Economic Incentive for Infrastructure for MP1 Construction. The vote was unanimous. Motion carried.

2. To discuss for possible consideration a Letter of Intent for an Economic Incentive for Infrastructure for Max Holding LLC.

A motion was made by Darrell Anderson and seconded by John Chirafis to approve the consideration of a Letter of Intent for an Economic Incentive for Infrastructure Max Holding, LLC. The vote was unanimous. Motion carried.

3. To discuss for possible consideration a Letter of Intent and Phase I Application for an Economic Incentive from Parker's Building Supply.

A motion was made by John Chirafis and seconded by Christopher Smith to approve the consideration of a Letter of Intent and Phase I Application for an Economic Incentive from Parker's Building Supply. The vote was unanimous. Motion carried.

4. To discuss for possible consideration a Letter of Intent for an Economic Incentive from Real Estate Investment Co. / TBD.

A motion was made by John Chirafis and seconded by Dallas Smith to approve the consideration a Letter of Intent for an Economic Incentive from Real Estate Investment Co. / TBD. The vote was unanimous. Motion carried.

5. To discuss for possible consideration a Letter of Intent from Texan Tool and Industrial for an Economic Incentive and to Purchase Land in the Spur 93 Business.

A motion was made by John Chirafis and seconded by Darrell Anderson to approve the consideration of the purchase of land in the Spur 93 Business Park. No mention/motion was made to the Economic Incentive. The vote was unanimous. Motion carried.

6. To discuss for possible consideration ratifying an amendment to the KLV Ventures LLC Economic Incentive and Loan Agreement.

A motion was made by Darrell Anderson and seconded by John Chirafis to approve the ratification of an amendment to the KLV Ventures LLC Economic Incentive and Loan Agreement. The vote was unanimous. Motion carried.

7. To discuss for possible consideration a Letter of Intent from KLV Ventures LLC to purchase land in the Spur 93 Business Park.

A motion was made by Darrell Anderson and seconded by John Chirafis to approve KLV Ventures LLC to purchase land in the Spur 93 Business Park and to move forward with the preparation of a Purchase Agreement. The vote was unanimous. Motion carried.

8. To discuss for possible consideration the release of payment on Infrastructure Improvement Incentive Agreements.

This item was moved to Executive Session and was for discussion only.

9. To discuss for possible consideration a Conditional Infrastructure Grant Agreement for Aref 1, Ltd.

A motion was made by Darrell Anderson and seconded by Christopher Smith to approve the Conditional Infrastructure Grant Agreement, in the amount of \$368,760, for Aref 1, Ltd. The vote as unanimous. Motion carried.

10. To discuss for possible consideration a Conditional Infrastructure Grant Agreement for Kemp Corkran, LLC / Magic Express Wash & Lube.

A motion was made by Dallas Smith and seconded by John Chirafis to approve a Conditional Infrastructure Grant Agreement, in the amount of \$302,434, for Kemp Corkran, LLC / Magic Express Wash & Lube. The vote was unanimous. Motion carried.

11. To discuss for possible consideration an Economic Incentive and the purchase of land in the Spur 93 Business Park for Thermal Industrial Services LLC.

A motion was made by Darrell Anderson and seconded by Dallas Smith to approve moving forward with agreement preparations for an Economic Incentive, in the amount of \$461,347 and the purchase of land in the Spur 93 Business Park for Thermal Industrial Services LLC. The vote was unanimous. Motion carried.

12. To discuss for possible consideration entering into a Professional Architectural Agreement with Architect Studio for 549 4th Street.

A motion was made by John Chirafis and seconded by Christopher Smith to approve entering into a Professional Architectural Agreement with Architect Studio for 549 4th Street. The vote was unanimous. Motion carried.

13. To discuss for possible consideration authorizing the Environmental Manager, on behalf of the PAEDC Board of Directors, to go out for bid for the Environmental Removal of lead/asbestos/mold for 549 4th Street.

A motion was made by John Chirafis and seconded by Christopher Smith to approve authorizing the Environmental Manager, on behalf of the PAEDC Board of Directors, to go out for bid for the Environmental Removal of lead/asbestos/mold for 549 4th Street. The vote was unanimous. Motion carried.

14. To discuss for possible consideration entering into an agreement with Total Safety to act as Environmental Manager to oversee the removal of lead/asbestos/mold for 549 4th Street.

A motion was made by Darrell Anderson and seconded by Christopher Smith to approve entering into an agreement with Total Safety to act as Environmental Manager to oversee the removal of lead/asbestos/mold for 549 4th Street. The vote was unanimous. Motion carried.

15. To discuss for possible consideration going out for Request for Qualifications for Construction Manager at Risk for 549 4th Street.

A motion was made by Dallas Smith and seconded by Christopher Smith to approve going out for Request for Qualifications for Construction Manager at Risk for 549 4th Street. The vote was unanimous. Motion carried.

16. To discuss for possible consideration providing a grant match toward an EDA Grant, match not to exceed \$1,000,000.

A motion was made by John Chirafis and seconded by Christopher Smith to approve providing a grant match toward an EDA Grant, match not to exceed \$1,000,000. The vote was unanimous. Motion carried.

17. To discuss for possible consideration a Summer Youth Employment Program.

A motion was made by John Chirafis and seconded by Dallas Smith to approve a Summer Youth Employment Program, in an amount not to exceed \$90,000. The vote was unanimous. Motion carried.

18. To discuss for possible consideration approving an invoice

A motion was made by John Chirafis and seconded by Darrell Anderson to approve the invoice payment to Marsh Waterproofing, Inc., in the amount of \$5,500. The vote was unanimous. Motion carried.

19. To discuss for possible consideration extension of Purchase Agreement Title Commitment for Standard Alloys for an additional 60 days.

A motion was made by John Chirafis and seconded by Christopher Smith to approve an extension of Purchase Agreement Title Commitment for Standard Alloys for an additional 60 days. The vote was unanimous. Motion carried.

20. To discuss for possible consideration a Letter of Intent for Rai's Bakery.

A motion was made by Darrell Anderson and seconded by Christopher Smith to approve the consideration of a Letter of Intent and a Phase I Application for an Economic Incentive from Rai's Bakery. The vote was unanimous. Motion carried.

21. To discuss for possible consideration canceling the March 4, 2019 Regular Board Meeting.

A motion was made by Darrell Anderson and seconded by Christopher Smith to approve canceling the March 4, 2019 Regular Board Meeting. The vote was unanimous. Motion carried.

VIII. REPORTS

1. Marketing & Business Recruitment Report
2. Operational Report
3. Financial Report
4. CEO's Report

IX. CLOSED SESSION (EXECUTIVE SESSION)

In Order To Comply With The Requirements Of Chapter 551 (Open Meetings Law) Of The Texas Government Code, Prior To Going Into Closed Meeting The Presiding Officer To The City Of Port Arthur Section 4A Economic Development Corporation Board of Directors Should Make The Following Public Announcement:

"A Closed Meeting or Executive Session Will Be Held Pursuant To The Following Sections of Chapter 551, Texas Government Code,

1. **Section 551.071 Government Code** – To discuss with Attorney Guy Goodson pending and potential litigation and/or legal advice.
2. **Section 551.072 Government Code** – To deliberate the purchase, exchange, lease, or value of real property.
3. **Section 551.074 Government Code** – To discuss matters of Personnel.
4. **Section 551.087 Government Code** – To discuss Incentives for Commercial and Industrial Business Prospects.

The Items in Executive Session May Be Discussed and Acted On In Open Session

The Board retired to Executive Session at 7:29 p.m.

The Board reconvened to the Special Board Meeting at 8:32 p.m.

X. FUTURE AGENDA ITEMS OR REQUESTED REPORTS

None

XI. ADJOURNMENT OF MEETING

Meeting was adjourned at 8:34 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE

1st

DAY OF

April

, 2019.

Della Smith

SECRETARY OF THE BOARD